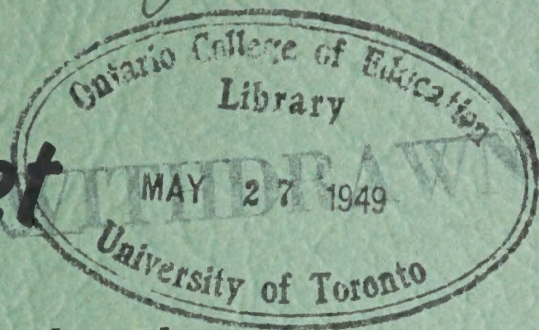


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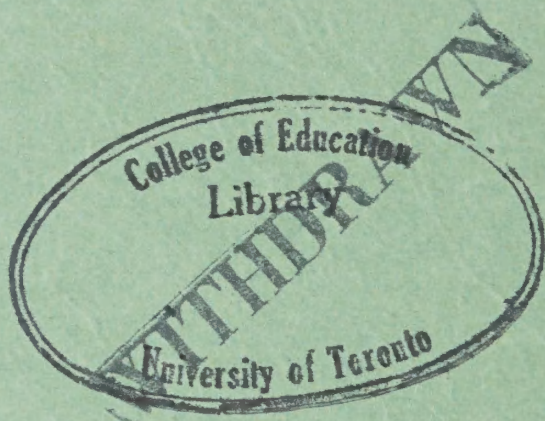


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Commercial Diploma Examination

JUNE, 1949

RAPID CALCULATION

Time—30 minutes

INSTRUCTIONS. *Grade IX do problems 1-10.*
Grade X do problems 1-12.
Grade XI do problems 1-14.

1. Addition

427854	88911	\$327.68
145290	92857	58.76
404448	47289	429.53
167815	74139	143.17
364734	21478	48.85
<u>237875</u>	<u>64789</u>	<u>1414.75</u>
=====	=====	<u>\$</u>

2. Subtraction

\$898.88	34876	748902
<u>750.48</u>	<u>25947</u>	<u>648925</u>
<u>\$</u>	=====	=====

3. Multiplication

2846	79956	4837	86573	1735
<u>6</u>	<u>8</u>	<u>7</u>	<u>9</u>	<u>12</u>

4. Divide, showing your answers as in the example :

6)76954	7)85396	9)210763	8)71767
<u>12825 - 4</u>			

5. Multiply mentally :

(a) 5682 × 50 =	(b) 83 × 26 =
4589 × 12 =	47 × 43 =
1828 × 25 =	57 × 38 =

6. Find the H. C. F. 42, 63, 105

[OVER]

7. Calculate :

- (a) $\frac{5}{12} + \frac{11}{16} - \frac{3}{8} =$
(b) $21\frac{1}{3} + 37\frac{1}{6} - 39\frac{4}{9} =$
(c) $623\frac{3}{5} - 425\frac{1}{3} =$

8. Divide

- (a) $\frac{19}{20}$ by $\frac{38}{45}$
(b) $\frac{56}{84}$ by 8
(c) $27\frac{3}{4}$ by $\frac{3}{16}$
(d) $12\frac{2}{5}$ by $6\frac{1}{5}$

9. Calculate

- (a) $.025 \times .008 =$
 $8.76 - .86543 =$
(b) Reduce to a decimal fraction, correct to 2 places $\frac{3}{14}$
(c) Divide correct to 2 places of decimals $.05 \overline{)76.894}$

10. (a) $6\frac{1}{4}$ yds. at 64c =
 $37\frac{1}{2}$ yds. at 80c =
 453 yds. at $66\frac{2}{3}$ c =
 402 yds. at 75c =
(b) $133\frac{1}{3}\%$ of 60 =
 $87\frac{1}{2}\%$ of 6.40 =
 $2\frac{1}{2}\%$ of 4.40 =
 $\frac{1}{4}\%$ of 1280 =

GRADE IX ENDS HERE

11. (a) What number must be added to 63495278 to make it equal to 549372614?

(b) Find the duty on 560 lbs. steel rivets invoiced at 10c a lb., the specific duty being 75c per 100 lbs. and ad valorem 25%.

Specific Duty =

Ad valorem duty =

Total

12. A boy walked 4 times around a field measuring 140 yards in length by 80 yards in width. How many miles did he walk?

GRADE X ENDS HERE

13. The exchange on each of the following cheques is:

- (a) \$134.50 at $\frac{1}{8}\%$ =
(b) \$65.30 at $\frac{1}{4}\%$ =

14. (a) Fill in the balance \$572.96
 81.51
 9.76

Balance

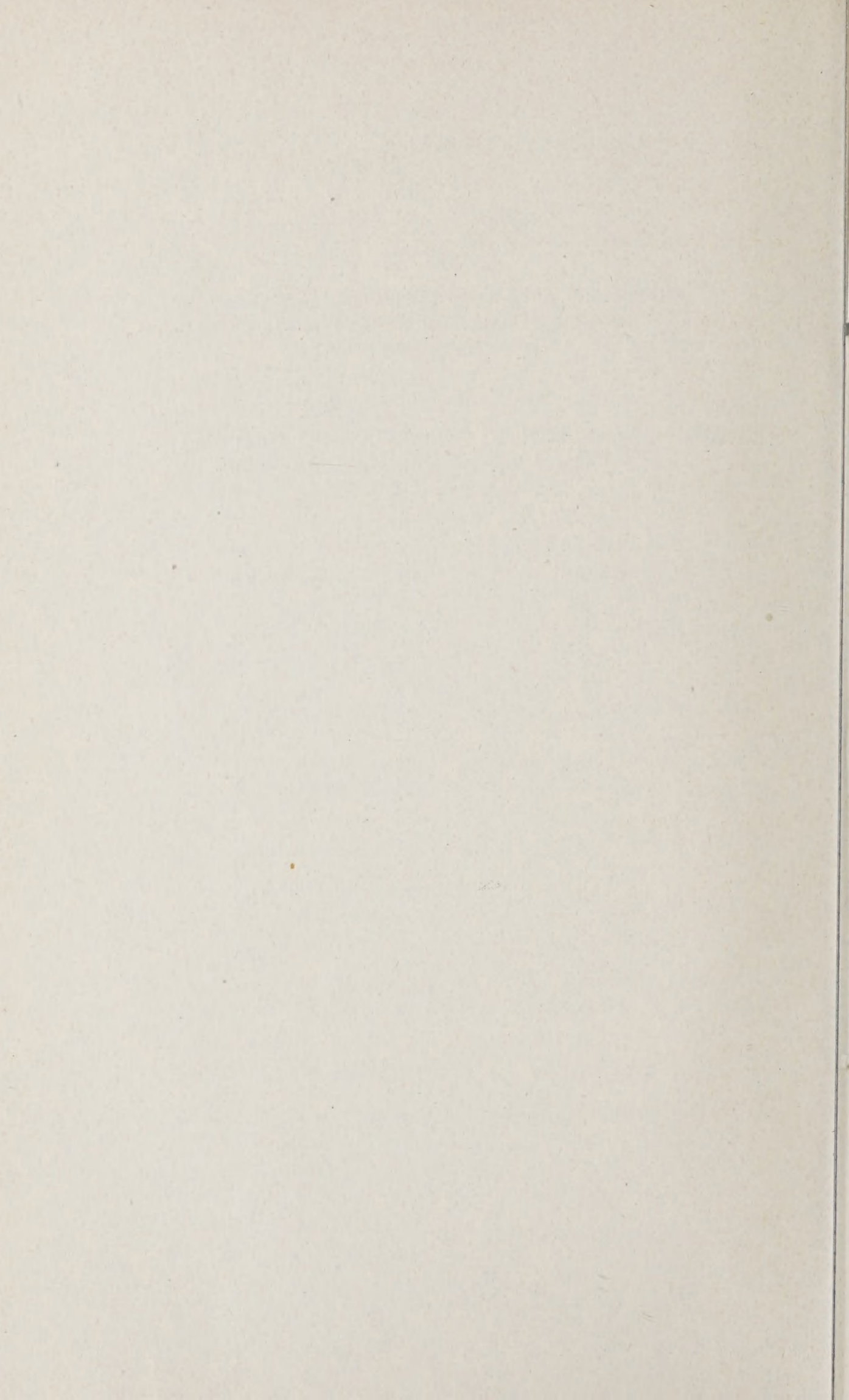
 \$812.77

(b) 5500 pounds of coal at \$16.00 per ton costs _____

(c) Goods costing \$150 sell for \$180. What is the gain per
 cent on cost price? _____ on selling price? _____

MARKING

SCHEME	GRADE IX	GRADE X	GRADE XI
1.	9	6	6
2.	3	3	3
3.	5	5	5
4.	3	3	3
5.	12	12	6
6.	5	5	5
7.	9	9	9
8.	12	8	8
9.	18	12	12
10.	24	24	16
11. (a)		3	3
(b)		7	7
12.		3	3
13.			6
14.			8
	<u> </u> 100	<u> </u> 100	<u> </u> 100



Commercial Diploma Examination

JUNE, 1949

JUNIOR BUSINESS PRACTICE—GRADE IX

Time—2 hours

NOTE: *A candidate must answer ALL of Part A and any THREE questions of Part B.*

PART A—70%

(ALL questions must be answered in this section.)

1. On Thursday, November 4, 1948, your school organized a Badminton Club. You were chosen as Treasurer. The former Treasurer handed over to you the Bank Pass Book which showed a balance of \$24.60 and also the Cash Box containing \$1.60 in cash. It is your duty to keep an accurate record of all monies received or paid out; to pay all bills; to write cheques and receipts; and at the end of the season to make up a financial report. Rule neatly in ink the Cash Book with Bank Columns. Insert the proper headings on each sheet and enter the balances given above; then proceed with the following entries:

1948

- Nov. 4 Received fees from eight members. Fees are \$5.00 each.
5 Purchased Receipt Book, 10 cents.
Bought Cash Book, \$1.00.
Deposited \$30.00 in the Bank.
6 Gave a cheque for \$15.00 to Thomas J. North.
8 Received fees from five members.
10 Received \$25.00 from the Students' Council.
11 Deposited \$50.00.
22 Received proceeds from tournament, \$12.50.
23 Deposited \$12.50.
25 Paid cash to caretaker for extra services, \$2.00.
30 Purchased six Racquets costing \$4.00 each from Hurd's Sports Shop. Paid by cheque.

Close and balance your Cash Book ready for a meeting to be held on December 4, 1948. (Value 25)

2. (a) Make out the Financial Report you would read to the meeting on December 4th. (Value 5)

(b) Write out the Receipt you gave to the Students' Council on Nov. 10th. (Value 2)

[OVER]

(c) On the form supplied, write the Cheque that you sent to Hurd's Sport Shop on Nov. 30th. (Value 4)

(d) Show the form of endorsement that is used on a business cheque. What is this type of endorsement called? (Value 2)

3. You are employed in the office of Canadian Refractories, Ltd., 105 Walnut St. S., Hamilton, Ont. The manager has asked you to re-write the letter given below as a Night Telegraphic Letter of approximately fifty words.

Mr. Walter Shipley,
210 Cardenas St.,
Kamloops, B. C.

Dear Sir:

Your note, dated June the 14th fell due on Monday Sept. the 17th. That was two weeks ago. We hope that you will be able to rectify the oversight by sending a remittance by cheque or by money order as soon as possible.

We hesitate to place this note in the hands of our banker for collection because it only adds to the cost of doing business.

Yours truly,

John Smith, Manager.

(Value 6)

State the word count of the night letter you have just written. (Value 1)

Calculate the cost of sending this night letter, if the rate is \$1.25 for the first fifty words and twenty-five cents for each additional ten words or less. (Value 1)

4. Number and list the answers to the following:

- (a) The exchange of goods for goods.
- (b) A written acknowledgement of payment of a bill.
- (c) A written order to a bank telling it to pay a certain person a definite amount of money.
- (d) An account that provides a means of keeping money at interest.
- (e) A customer's record of his transactions with a bank.
- (f) A machine that stamps the amount on a cheque.
- (g) Endorsement containing the words "pay to the order of."
- (h) A cheque that has been stamped on the front by a bank stamp and the money set aside for the payment of the cheque.
- (i) Not enough money in the bank to cover payment of the cheque.
- (j) A cheque that has been marked paid by the bank.

(Value 10)

5. (a) State the cost of sending a Special Delivery Air Mail letter from Toronto to Calgary. (Value 2)

(b) Why do business firms make frequent use of Business Reply Envelopes? (Value 2)

6. (a) State four distinct steps in making a long distance Person-to-Person call on a telephone. (Value 4)

(b) State two important uses of the Yellow Pages of the telephone directory. (Value 2)

(c) State the procedure in sending a Postal Money Order for \$12.00 to Eastman Kodak Co., Toronto. What would the Eastman Kodak Co. do to obtain the cash? (Value 4)

PART B—30%

(Answer THREE questions only. Value 10 marks each.)

7. Explain briefly in one sentence each, the meaning of any FIVE of the following:

A la Carte

Station-to-station Call

Interest

Passport

Demurrage

registered letter

Deposit Slip

Bill of Lading

Porter

Excess Baggage

(Value 2x5 = 10)

8. (a) What two factors determine the cost of sending a parcel by parcel post? (Value 4)

(b) What advantages may be gained in each case if you send a parcel

(i) by Parcel Post

(ii) by Express (Value 6)

9. (a) When travelling by car, where can you obtain free road maps? What method does the map use to indicate the distance between the two adjacent towns? (Value 2)

(b) State the name of at least one bus line that operates in or near your locality. (Value 2)

(c) Explain how Travellers' Cheques are obtained. How can you cash them and why should you use them when travelling? (Value 6)

10. (a) Give three advantages of home ownership. (Value 3)

(b) Describe the steps in purchasing a house. (Value 3)

(c) What is a mortgage? (Value 1)

(d) What is the purpose of a mortgage? (Value 2)

(e) What is the purpose of assigning a Fire Insurance Policy? (Value 1)

Commercial Diploma Examination

JUNE, 1949

ARITHMETIC—GRADE X

Time—2 hours

1. Complete the following time-sheet and pay-roll based on a 40 hour week, allowing time and a half for overtime.

WESTERN MANUFACTURING COMPANY

Time-sheet for week ending March 31, 1949

Employee's No.	Days of the Week						Rate per hr.	Hours		Wages		Total Wages
	M	T	W	T	F	S		Reg.	Over- time	Reg.	Over- time	
44	9 $\frac{3}{4}$	9	8	8	10		1.10					
45	7	9	7	8 $\frac{3}{4}$	9		1.35					
46	7 $\frac{1}{2}$	8	7 $\frac{1}{4}$	10 $\frac{3}{4}$	6		.90					

Total

(Value 8)

2. (a) The average age of the pupils in a school of 200 pupils is 9.5 years. If 25 new pupils are admitted whose average age is 10.4 years, what is now the total average age? (Value 8)

(b) A piece of rubber tubing is cut into five parts, only four of which are equal in length, whilst the fifth portion is $\frac{1}{3}$ of the whole.

What fraction of the tubing is contained in each of the four equal parts? (Value 8)

3. An automobile dealer bought a car for \$1600 and paid \$45 for insurance and freight. He sold the car for \$2195, receiving \$700 in cash and, for the balance, a note payable in 60 days without interest.

(a) The dealer immediately discounted the note at the bank at 6% per annum. How much did he receive for it? (Value 5)

(b) What was the dealer's profit on the car? (Value 5)

4. On 200 gallons of varnish listed at \$1.75 per gallon a Canadian importer paid a special duty of 25c per gallon and an ad valorem duty of 15%. At what price per gallon must he sell the varnish to make a profit of 25% on his total outlay?

(Value 8)

[OVER]

5. A merchant wishes to buy 200 pocket knives. The Jones Co. offers knives at 60 cents each with two discounts of 20% and 20%. The Green Co. offers a similar knife for 60 cents each with a single discount of 40%. Which is the better offer and by how much? (Value 8)

6. Goods were listed at \$327.50 with trade discounts of 10% and 10%. Terms were 3 months' credit, 2% off if paid in 60 days, or 5% off if paid in 30 days. How much would settle the bill for the goods purchased on October 1 and paid for on January 1? On November 20? On October 27? (Value 8)

7. A dealer in used cars bought a used car and spent in repairs 50% of the original cost to him. Find his gain or loss per cent by selling it for \$600, if the repair bill was \$240. (Value 8)

8. A man bought a house for \$8000, paying \$5000 cash and assuming a mortgage for \$3000. He wishes to clear 6% on his investment of \$5000 and has to pay: (Value 8)

(a) Interest on the mortgage at 5%

(b) Taxes on an assessment of \$4500 at 40 mills

(c) Fire insurance on a \$5000 risk at 60 cents per hundred for three years' protection

(d) Repairs and depreciation \$150

(e) Other expenses \$26

How much rent per month must he receive from the tenant? (Value 8)

9. (a) A note for \$150 and bearing interest at 6% was signed on January 11, 1948. How much will redeem the note on April 6, 1948? (Value 6)

(b) I borrowed some money from the bank on April 17 by signing a 90-day note for \$200 and by discounting it immediately. How much did the bank manager deposit in my bank account if he charged me a discount rate of 6%? (Value 6)

(c) You needed a loan of \$2000 from the bank to finance your business for six months. To secure a lower interest charge you gave the bank \$2000 in bonds which paid 4% interest, to hold as security in case you failed to repay the loan. The bank charged you only 5% and for advancing the \$2000 credited your account for the interest earned by the securities. What was the net cost to you of borrowing the \$2000? (Value 6)

10. A man bought a lot in the city for \$2000 and on it built a house costing \$8000.

(a) If the whole property is assessed for 80% of its cost, find the amount of taxes if the tax is $45\frac{1}{2}$ mills. (Value 4)

(b) If the house is insured for 75% of its cost, find the premium if the rate is 75 cents on \$100. (Value 4)

Commercial Diploma Examination

JUNE, 1949

BOOKKEEPING—GRADE X

Time—2 hours

Candidates will be supplied with the following ruled paper: General Journal, Sales Journal, Purchase Journal, Cash Journal with columns for cash and bank, and the following blank forms: a cheque and a commercial draft.

PART A

I. Give concise answers to the following questions:

1. In what respect are liabilities and proprietorship very much alike?
2. Define profit.
3. Explain the difference between a Trading and Profit and Loss Statement and a Balance Sheet.
4. From what sources is information obtained for the preparation of the Balance Sheet and the Trading and Profit and Loss Statement?
5. Name 4 causes of change in proprietorship.
6. What account should be debited when cash is paid for freight charges on merchandise bought? Why?
7. What is meant by "doing business on credit"?
8. What is a credit memorandum? When is it used?
9. Suggest three ways by which a bookkeeper may safeguard against errors in his work.
10. What is the difference between a Trial Balance and a Balance Sheet?
(Value 20 - 2 each)

II. Analyse the following transactions indicating "Account Debited" and "Account Credited".

- (a) Sold merchandise to a customer, terms 10 days.
- (b) A customer returned part of a lot of goods sold to him and he received a credit note.
- (c) Received a cheque from a customer in settlement of his account.
- (d) Sold merchandise for cash.
- (e) A customer returned merchandise for which he had already paid cash and we gave him a cash refund.
- (f) Received a 15 day note from a customer on account.
- (g) Received cash from a customer in payment of his 15 day note.
(Value 14)

[OVER]

PART B

1. On July 1, 1949, James Allen began the retail furniture business with assets and liabilities as shown on his Balance Sheet, June 30. As bookkeeper for Mr. Allen make the required opening entry and record the following transactions for the month of July, using four books of original entry, journal, purchase journal, sales journal, and cash book. Mr. Allen is in business in Bothwell, Ontario.

James Allen Balance Sheet June 30, 1949

Assets		Liabilities	
Cash	150.00		
Bank	2800.00	Notes Payable	1900.00
Merchandise Inventory	1900.00	Charles Darwin	475.00
Notes Receivable	600.00	Elgin Taylor	374.50
F. P. Tabor	110.00	Capital	
P. E. Curtis	965.50	James Allen, Prop.	5713.00
Furniture and Fixtures	437.00		
Delivery Equipment	1500.00		
	<u>8462.50</u>		<u>8462.50</u>

- July 2 Bought from Charles Darwin, terms n/30, ten dining room chairs at \$12.50 and five tables at \$37.50.
- 2 Received a cheque from J. E. Sampson, Florence, Ont., for his 60-day note due to-day \$600.00. Deposited this cheque.
- 3 Sold Frank Fingland & Co., terms 30-day draft, one library table at \$60.00, and five dining chairs at \$17.50. Received his acceptance.
- 5 Purchased office supplies for cash \$13.00.
- 7 Paid weekly salaries \$45 by cash.
- 9 Mr. Allen withdrew by cheque \$75 for personal use.
- 10 Bought from Johnson Furniture Co., terms n/30, twenty porch chairs at \$7.50.
- 12 Received from P. E. Curtis his 60-day note dated July 11, in full of account \$965.50.
- 13 Sold for cash, one dining room table at \$65.00.
- 14 Paid bookkeeper's salary by cheque \$45.00.
- 16 Sold Henry Lyons, terms 30-days, five dining room chairs at \$15.00, one dining table at \$80.00 and five porch chairs at \$10.00.
- 17 Received a cheque from F. P. Tabor, \$110.00.

- 18 Paid Johnson Furniture Co., by cheque for bill of July 10.
- 19 Henry Lyons returned the dining room table purchased July 16, and we gave him a credit invoice for \$80.00.
- 23 Purchased from City Furniture Exchange, n/30, twelve floor lamps at \$20.
- 24 Returned five floor lamps purchased yesterday from City Furniture Exchange, and received a credit invoice for \$100.00.
- 25 Henry Lyons paid for bill of July 16, less returns on July 19.
- 27 Bought a typewriter for office use, paid by cheque \$110.
- 30 Paid Edwin Taylor in full of account by cheque \$374.50.

CLOSE THE JOURNALS

General Journal

- | | |
|-----------------|--------------------|
| Opening entry | (Value 5) |
| Routine entries | (Value 8 - 2 each) |

- | | |
|------------------|-----------|
| Purchase Journal | (Value 3) |
| Closing entry | (Value 2) |

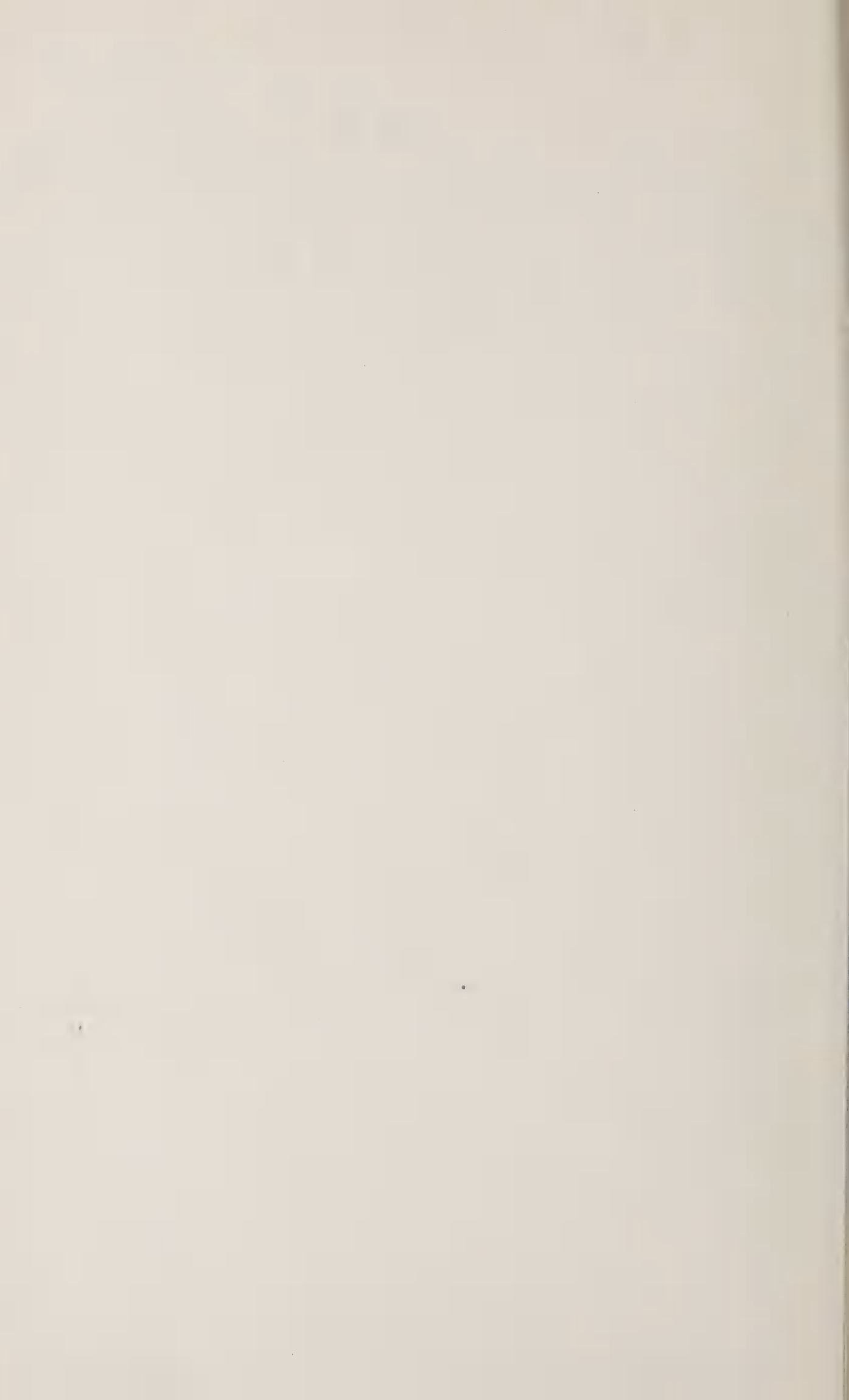
- | | |
|---------------|-----------|
| Sales Journal | |
| Entries | (Value 2) |
| Closing | (Value 2) |

- | | |
|--------------|---------------------|
| Cash Journal | |
| Entries | (Value 26 - 2 each) |
| Closing | (Value 10) |

2. (a) Prepare the draft of July 3, which James Allen, the proprietor, drew on Frank Fingland & Co., of London, Ont., and made payable to himself. Indicate the Due Date. (Value 5)

(b) Prepare the Cheque which James Allen received on July 2, from J. E. Sampson for \$600.00.

Show the endorsement required for the deposit of this cheque. (Value 5)



Commercial Diploma Examination

JUNE, 1949

SPELLING—GRADE X

INSTRUCTIONS:

Dictation time—45 minutes.

Total marks—100. Deduct 3 marks for each error.

In dictating, give the meaning of each word in A or illustrate its meaning by using it in a sentence; re-read all words and sentences before the papers are collected.

A

agitation	casualty	receipt
excess	mortgage	site
respectfully	financier	essential
census	pasture	censure
attorney	controversy	indebted
advisable	picturesque	lenient
similar	catastrophe	pageant
anniversary	embassy	impracticable
committed	preference	Mississippi
battalion	criticism	legitimate
Fredericton	irreparable	maritime
statistics	procedure	physical
vertical	perennial	cleanness
ascent	requisition	transferred
believing	dissatisfied	manoeuvre
conscientious	responsibility	adjoining
tragedy	collaborate	proceed
eventually	preferable	immigrant
guarantee	Saskatchewan	Cincinnati
conqueror	February	obstacles
immensely	dissent	promissory
tranquillity	pursuit	wretched
tariff	fugitive	recommendation
miscellaneous	thermometer	whereabouts
committee	illegal	occurring

B

1. John's excitable manner was noticeable to all of us.
2. Her niece was rather conceited.
3. His disgraceful actions must no longer be permitted.
4. He was solely dependent upon his wits for his livelihood.
5. I wish to interview these women separately.
6. A violent storm travelled up the coast with increasing fury.
7. It is easy to win an argument and lose a sale.

100

100

Commercial Diploma Examination

JUNE, 1949

STENOGRAPHY — GRADE X

N. B. Before dictating this paper, the presiding teacher should explain the following conditions carefully to the candidates:

- (1) This examination in stenography consists of two parts, Part A and Part B. Both of these parts are to be written in shorthand from dictation.
- (2) Part A will be marked according to the correctness of the shorthand outlines. No transcript is to be made.
- (3) Part B will be marked according to the correctness of the transcript. The shorthand notes must accompany the transcript.

PART A

INSTRUCTIONS: Value for each sentence, 10 marks. Deduct one mark for each error. Dictate each of the sentences once only in $1\frac{1}{2}$ minutes. Allow a one-half minute interval after each sentence.

1. Does the head of the firm think there ought to be another operator to help with these machines?

2. Perhaps the manager's private secretary would be able to attend to some of his personal filing in the morning.

3. The flat parcel, which arrived by express yesterday, was a beautiful picture book for my little brother.

4. During the summer these young boys work at a camp near Moose Jaw, but they return to Niagara late in October.

5. Will you answer the note from Dr. Foster? Have you mailed him the original and a copy of the policy he asked about?

6. As we are all aware, offences against parking rules are usually dealt with in the police court.

7. The exercises in the shorthand text should be written carefully every night; those who neglect to do so cannot expect to be successful.

8. Please put the fresh fruit beyond the reach of the children, who are waiting for a car to take them to the station.

9. We urge you to visit our store to select your vacation needs. The enclosed sheet describes only a few of the items.

10. Chester left the rifles on the floor behind the iron rollers all winter; however, they have not been badly damaged.

[OVER]

PART B

INSTRUCTIONS : Read each group of words as indicated, in 15 seconds.
Letters 1 and 2 are to be dictated at 40 w.p.m., letter 3 at 50 w.p.m., and letter 4 at 60 w.p.m. Allow one minute interval after each letter, five minutes for revision of notes, and thirty minutes for transcription.

(Value : 25 marks for each letter.)

1. Gentlemen:

Could you tell us what the usual charge is / for addressing cards by the thousand? Is an extra charge / made for rough paper or for a rush job?

We / enclose a stamped, addressed envelope for your reply and shall / appreciate any information you can give us.

Yours very truly, (Value 50)

2. Dear Sir:

We regret exceedingly that you do not wish / to continue your membership in the Bureau of Tours during / the next year.

We have taken your name off our / list, but we hope that we may have the pleasure / of serving you again at some future date.

Sincerely yours, (Value 50)

3. Gentlemen:

In reply to your letter regarding premiums for bonding your bank / staff, we are sending you some of our literature which will show the / advantages of such an action.

It will also give you some of / the reasons why our company is in a position to furnish better protection / than any other firm now in operation.

Very truly yours, (60)

4. My dear Madam:

On June 3 we sent you a statement of your account, together / with your cancelled cheques; but so far we have not received the acknowledgment slip that / went with the package.

Unless this is returned to us, we cannot be sure that / you actually got the parcel; therefore, please sign the duplicate we are enclosing and send / it back to us.

Yours truly, (66)

NOTE: If the transcript is made on a typewriter, deduct one mark for each error, but if made in longhand, deduct two marks for each error.

Commercial Diploma Examination

JUNE, 1949

TYPEWRITING—GRADE X

INSTRUCTIONS: Allow $1\frac{1}{2}$ hours for this paper, accuracy test included.

In marking questions 1, 2, and 3, deduct 2 marks for each error or careless erasure, and up to 5 marks for faulty arrangement of material.

1. Type the following 135-word letter. Use single spacing and closed punctuation. Type the current date on the 12th line space. Centre and underscore the subject line. Type your instructor's initials and your own, and the business title.

Mr. E. D. Church, Springdale, Ont. Dear Sir: Re Policy 1186432. Your request for a cheque to cover the cash surrender value of the above policy has been referred to this office.

May we point out that you have an equity there which can never be replaced at a price anywhere in the neighbourhood of your present premium of \$85 -- if it could be replaced at all owing to the uncertainty of your passing the medical examination. Moreover, you are giving up the protection afforded your dependents and home in the event of your death.

We are taking the liberty of sending our Mr. Seiss, agent for your territory, to call on you. He can suggest several possible methods of solving your present problem and at the same time keeping your insurance in force. Yours truly, Branch Manager.

(Value 20)

2. Copy the following on paper of suitable size.

CONTENTS

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[OVER]

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XVII	Theory and Facts	299
XVIII	An Important Piece of News	315
XIX	The First Casualty	331
XX	A Very Angry Young Woman	347
XXI	The Lady in the Room Next Door	362
XXII	An Unusual Appointment	380

(Value 20)

3. Copy the following on paper of suitable size :

HOW THEY STAND

National League

	Won	Lost	Pct.	GBL
St. Louis	16	8	.666	—
New York	14	11	.560	2½
Pittsburg	15	12	.556	2½
Boston	14	12	.536	3
Philadelphia	14	13	.519	3½
Chicago	11	14	.440	5½
Brooklyn	11	16	.407	6½
Cincinnati	10	19	.345	8½

Yesterday's Results

Pittsburg	8	Brooklyn	4
Chicago	8	New York	3
Boston	3	St. Louis	1

(Value 20)

4. Speed and Accuracy Test — 10 minutes. Allow four marks for every 40 net words typed for classes with two years of typewriting, and four marks for every 30 net words typed for classes with one year of typewriting, less one mark for each error.

Each teacher will supply the material for the speed test from new tests supplied by the Typewriter manufacturers — April Test, 1949.

(Value 40)

Commercial Diploma Examination

JUNE, 1949

ARITHMETIC—GRADE XI

Time—2 hours

NOTE. *Seven questions constitute a full paper.*

1. A buyer purchases a job lot of 80 robes on which he plans to obtain a markup of 42%. If he intends to retail 30 of these robes at \$19.50, 25 at \$15, and the remainder at \$10, what is the maximum price he can afford to pay for the 80 robes?

(Value 14)

2. A borrower wished to postpone payment of his \$1,200 bill for 60 days. He offered to give his noninterest-bearing note with a face that would net \$1,200 if discounted at 5% immediately at the bank. What should have been the face of the note?

(Value 14)

3. Mr. Lombard, Mr. Flood, Mr. Green and Mr. Tompkins formed a partnership with investments of \$1,800, \$2,400, \$1,500 and \$1,200 respectively, each partner's share in the ownership being in proportion to his original investment. Mr. Green died 10 years later, automatically dissolving the partnership. At that time, the capital worth (net worth) of the partnership was \$33,000. What share in the net worth belonged to the estate of Mr. Green, to Mr. Lombard, to Mr. Flood, and, to Mr. Tompkins?

(Value 14)

4. On a mortgage for \$4,800 dated July 15, 1947 and bearing interest at 5% per annum, the following payments were made: September 24, 1947, \$450; December 10, 1947, \$40; March 15, 1948, \$350. How much will still be owing on July 11, 1948?

(Value 14)

5. (a) The owner of 70 shares of stock deposited them with his broker with instructions to sell at $105\frac{1}{2}$, and to purchase other stock at $15\frac{3}{4}$. The broker's charges for selling were 50c per share, and for buying were 25c per share. The Stock transfer tax charged to the seller was 4c per share. How many shares was the broker able to purchase and what was the unexpended balance?

(Value 10)

(b) What is the yield on an 8% stock quoted at \$225 per share on the market?

(Value 5)

[OVER]

6. An inventory valued at \$175,000 is insured in A. Co. for \$37,500 at $7\frac{7}{8}\%$; in B. Co. for \$50,000 at $5\frac{5}{6}\%$; and in C. Co. for \$60,000 at 75c per \$100.

(a) Calculate the total insurance premium. (Value 7)

(b) The policy included a 90% co-insurance clause. Calculate the claim adjustment on a loss of \$45,000. (Value 7)

7. An invoice of woollen cloth, imported from England, was valued at £956 6s. If its weight was 684 lbs., how much was the duty at 50c per pound specific, and 35% ad valorem? Calculate the cost of a draft to cover the invoice when exchange on London is quoted at \$4.41. (Value 14)

8. (a) Mr. King builds a home costing \$17,600. It is assessed for 50% of its value, and tax is \$204.16. What is the tax rate in mills? (Value 7)

(b) I paid $\frac{3}{4}\%$ brokerage to a grain broker for effecting the sale of a quantity of wheat at \$2.30 per bushel. How many bushels of wheat were sold, if the total brokerage was \$63.48? (Value 8)

9. A man wishes to provide \$5,000 twenty years hence for his son's education. How much must be deposited now at 4% interest compounded annually? (Value 14)

Commercial Diploma Examination

JUNE, 1949

BOOKKEEPING—GRADE XI

Time—2 hours

Ledger accounts from the Ledger of Student Productions Company, covering the period June 1, 1949 to June 30, 1949.

Sales		Sales Returns	
	6,000	150	
Purchases		Purchase Returns	
3,500			100
Freight In		Salaries	
60		350	
Rent		Merchandise Inventory	
250		2,500	
General Expense		Insurance	
200		50	
Student Productions Company, Capital			
		8,000	

Inventories, June 30, 1949 :

Merchandise on hand	\$1,500
Insurance unexpired	40
Rent due and unpaid	50

(a) Copy the Ledger.

(b) Prepare and post the adjusting and closing entries.

(Value $12 \times 2\frac{1}{2} = 30$)

[OVER]

- (c) Prepare a Trading and Profit and Loss Statement for the period. (Value 15)

2. Analyse the following Cash Transactions stating the accounts debit and accounts credited for each of the following cash receipts and cash payments.

(a) Cheque received from J. Albright in payment of Invoice No. 680 for \$135 less 2% discount.

(b) Cheque received from E. Johnson in payment of his \$200 note and interest thereon \$1.30.

(c) Proceeds of a Bank Loan of \$1,000 secured by our own personal loan - - interest charged \$48.20.

(d) Proceeds of an acceptance discounted at the Bank for \$560; discount charged \$2.10.

(e) Cheque received from L. Saunders who prepaid his note for \$150 on which we allowed a rebate of 75c.

(f) The bank notified us that they had collected and credited us with the proceeds of J. Elvidge's note for \$500; collection charge $\frac{1}{4}\%$.

(g) Issued our cheque to pay our note in favour of R. Kirby for \$350 and interest \$1.50.

(h) Paid G. Becker for Invoice No. 72 \$450 less 2% discount.

(i) Paid our sight draft in favor of B Croxall for \$120.

(j) Issue a cheque to the Receiving Clerk for \$75 to establish a Petty Cash Fund. (Value $10 \times 3\frac{1}{2} = 35$)

3. Enter the following facts from your Sales Invoices in a Columnar Sales Journal with columns for Accounts Receivable; Boots and Shoes; Rubbers; Accessories; Sales Tax.

Add 8% to all Boots and Shoes Sales.

May 3 H. Fraser, Rubbers \$200, Accessories \$15.

6 D. Morrison, Boots & Shoes \$300.

10 F. Feeley, Boots & Shoes \$200, Rubbers \$100.

26 F. Abbott, Rubbers \$45.

28 P. Hinton, Boots & Shoes \$200, Accessories \$20.

(Value $5 \times 3 = 15$)

Total and Summarize your Journal. Do not post. (Value 5)

Commercial Diploma Examination

JUNE, 1949

BUSINESS CORRESPONDENCE—GRADE XI

Time—2 hours

1. Divide the following words into syllables; wonderful, diagram, assistant, rattlesnake, unconsciously, remittance, noticeable, financing, enlargement, intentionally (Value 10)

2. As secretary of your school music club, which has its own letterhead, set up on a full sheet, all the necessary parts (except the body) of a letter written today to the National Music Co., 1000 Portage Avenue, Winnipeg, for the attention of Mr. S. T. Brand, in regard to Invoice No. 5678. Jane Jennings will type it in one of the approved styles and attach the enclosure.

(Value 10)

3. In a space $6\frac{1}{2} \times 3\frac{1}{2}$ show the envelope with all required information, including return address, for Air Mail Special Delivery transmission of the above letter.

(Value 5)

4. Rewrite, showing punctuation and capitalization:

- (a) they gathered at mothers new years day at 4 pm
- (b) besides be it said in passing you dont deserve such treatment
- (c) how many beautifully dressed women you see they exclaimed
- (d) we have branches in the following cities moncton new brunswick amherst nova scotia brandon manitoba and prince albert saskatchewan
- (e) he would like very much to do it however he will have to refuse

(Value 15)

5. Prepare an announcement, size $8\frac{1}{2} \times 5\frac{1}{2}$, of an exhibition of the work of the members of the Camera Club. This announcement is to be inserted in the final copy of your school magazine. Specify time, place, admission fee, and use to which proceeds will be put.

(Value 10)

6. Wanted: High School student to assist in Gift Shop and Lending Liabrary mid-June to Labour Day. Apply Personnel Manager, Pine Lake Summer Hotel, Pinelea, Ontario.

Reply to the above advertisement without using data sheet, stating how your training and education fit you to handle cash transactions, to keep customers' accounts, and to meet the public.

(Value 25)

[OVER]

7. The Students' Council, of which you are Secretary, has raised a substantial sum of money during the year for a scholarship. You have received a request from the Secretary of the Athletic Society of a near-by school, desiring information on money-raising schemes, so that a campaign might be started there early in the fall.

Reply, granting the request by outlining briefly the three most remunerative schemes, and offering further assistance, if required.

(Value 25)

Commercial Diploma Examination

JUNE, 1949

BUSINESS LAW—GRADE XI

Time—2 hours

I. Within the bracket before each of the following statements print "T" if you think it is true or "F" if you think it is false:

(Value, $40 \times 1 = 40$)

- () 1. Statute Law is that body of laws made by legislatures from time to time.
- () 2. Civil wrongs involve invasions of public rights.
- () 3. Every agreement must have an offer and an acceptance.
- () 4. There can never be more than two parties to a contract.
- () 5. Contracts made by intoxicated person are voidable contracts.
- () 6. There can be a qualification of an offer.
- () 7. An acceptance made by mail becomes effective as soon as it is posted in a letter box.
- () 8. A contract that may be rejected at the will of one of the parties is a void contract.
- () 9. In their lucid moments, insane persons may make contracts that are valid, and such persons may contract for necessities.
- () 10. The contract of an adult with an infant is enforceable by the latter.
- () 11. A poor boy may make a contract for the purchase of a diamond ring.
- () 12. Any contract made on a week day for performance on a Sunday is void.
- () 13. Undue influence renders a contract voidable.
- () 14. A subscription to a magazine one year will operate as sufficient consideration for the renewal of the following year's subscription.
- () 15. A part of a claim at law cannot be assigned, as one has no right to compel a debtor to pay several creditors instead of one.
- () 16. When one party has assigned his rights or duties under a contract, the other party is bound by the assignment, although he has not been notified of the assignment.
- () 17. If the contract is one that involves services of a personal nature, it is not affected by death.
- () 18. An offer to pay in silver a debt of \$2,500 to your creditor is considered legal tender.

[OVER]

- () 19. An instrument is negotiable when it contains the words "For deposit only."
- () 20. If payment of a note is refused at maturity it is said to be dishonoured.
- () 21. The maker is liable on a cheque whether he or the payee obtains the certification at the bank.
- () 22. A servant may be discharged for wilful disobedience.
- () 23. One who pretends to act as agent for another is personally liable.
- () 24. Authority to transfer title to land may be given to an agent orally.
- () 25. A wife is considered the general agent of her husband.
- () 26. An agent's act is his own and not his principal's.
- () 27. If the agency is to last for more than one year, the appointment must be in writing.
- () 28. It is the principal's duty to reimburse the agent for all expenses reasonably incurred in the discharge of his duties.
- () 29. An endorsement which prevents further negotiation is a full endorsement.
- () 30. Tender made upon condition that a receipt is given is not considered good tender.
- () 31. Money belonging to the principal should be deposited in the name of the agent.
- () 32. A del credere agent is one who guarantees his principal that, if the buyer does not pay for goods sold on credit, he himself will pay for them.
- () 33. If duress exists in a contract, the injured party has the right to void the contract.
- () 34. Children are competent parties and may make contracts of any kind.
- () 35. A qualified acceptance is a refusal of the offer.
- () 36. Every contract is the result of an offer and an acceptance.
- () 37. A contract made by two parties that prevents a marriage is enforceable.
- () 38. If a mistake in a contract is due to some deceit that ordinary care and intelligence could not disclose, the contract is not binding.
- () 39. There must be consideration in every executory contract.
- () 40. The courts hold that neither a moral obligation nor a good consideration is sufficient to make a contract enforceable.

II. Complete each of the following sentences with an appropriate word or words:

(Value, $10 \times 1 = 10$)

1. A law that is in force in a particular city is called——.
2. Contracts with idiots are——.
3. Contracts made by infants for necessities at a reasonable price are ——contracts.
4. A threat that forces a person to do something against his will is called——.
5. Consideration must be present in a sealed——.
6. When two or more persons are jointly liable on a contract, they must be sued——.
7. When a contract is conditional upon the happening of an impossible event, it is——.
8. The person for whom another person acts is called——.
9. A worker in a factory or a maid in a home is, according to law, termed a——.
10. A master is not liable to a servant for an injury due to the contributory——of the servant.

III. Read the following problems and give answers with reasons.

(Value, $10 \times 5 = 50$)

1. A fraudulently induces B to sell his automobile to him. C, not aware of the fraud, buys the automobile from A. B attempts to rescind the contract and demands that C return his automobile, claiming that the sale was fraudulent. Will B succeed?
2. A offers a reward of \$500 to anyone who can give information that may lead to the whereabouts of B, accused of a crime. C, ignorant of the reward, furnishes such information, and later learns of the offer. C sues A. Will C be successful?
3. S and W owned adjoining lots. S undertook and completed the building of a party wall, with the expectation that W would pay his share of the cost, and W had sufficient reason to know that S was acting in this manner with that expectation. W did not interpose an objection at the time S was building the wall. W then refused to pay his share, and S sued for breach of contract. Will S be successful?
4. C, an insane person who has not been adjudged insane by competent authority, contracts with D during lucid intervals at different times. D sues C for breach of these contracts, and C pleads insanity. Will D be successful?
5. M agreed to sell to H domestic sardines which were to be packed and labeled "imported sardines." H accepted the offer and signed the contract. H then refused to accept the sardines as delivered. Is H liable?

[OVER]

6. F says to R: "Pay your debt to me and I promise to give you this watch." R pays his debt and demands the watch. F refuses to part with the watch, and R sues. Will F have to turn over the watch?

7. JB sold a horse to WJ for the sum of \$350, WJ promising to give a 30-day note in payment. After JB had safely delivered the horse to WJ's barn, he and WJ went to WJ's house for the preparation and delivery of the note. WJ found he had no paper or writing materials; so, turning to JB, he said: "In 30 days from today, July 5, 1947, I promise to pay to you, JB, the sum of \$350, with interest at 6 per cent. Value received. WJ." The horse died a week after it had been delivered and WJ refused to pay the money when JB presented himself. JB started suit against WJ as on a note. Judgment for whom? Why?

8. George Easton was arrested, by Officer James Sargent, as a receiver of stolen goods. He induced Sargent to release him, giving him a note for \$500. Sargent negotiated this note to Sam Woods, who did not know how Sargent obtained the note.

When sued on the note, Easton defended on the ground that the consideration was illegal, being a violation of the officer's constitutional oath. Judgment for whom? Why?

9. A conductor of the X Surface Railway Company hired a physician, Thomas Downey, to minister to the motorman, who had suffered an injury while the car was being run. The physician sent a bill to the company and payment was refused. What would the judgment be?

10. N. Hamilton, a landlord, asks John Hillips, a real estate broker, to sell for him a certain piece of property for \$15,000. John Hillips immediately spends \$55 for advertising the property. Hamilton then telephones Hillips that he has changed his mind and does not want to sell the property. John Hillips sues on the ground that N. Hamilton cannot revoke the agency. What would the judgment be?

Commercial Diploma Examination

JUNE, 1949

ECONOMICS—GRADES XI AND XII

Time—2 hours

INSTRUCTIONS :

Grade XI students will answer questions 1 to 8, inclusive.

Grade XII students will answer questions 7 to 15, inclusive.

1. (a) What are the three main functions of a monetary system? (Value 6)

(b) Why is barter an unsatisfactory system? (Value 4)

(c) What is token money? What token coins have we in Canada? (Value 2)

(d) What part is played in our monetary system by Canadian banks? (Value 2)

2. (a) Distinguish between "value in use" and "value in exchange." (Value 2)

(b) Define — supply and demand. State the law of supply and demand. (Value 4)

(c) Although a monopolist may set his own price on any commodity he controls, it does not follow necessarily that he will set that price excessively high. Explain why it could be to the advantage of the monopolist to sell at a moderate price. (Value 3)

(d) At what point does the government cost-of-living index stand now? What "base year" is used in determining this official index? (Value 3)

3. (a) A recent report estimates that (i) the world population is increasing at the rate of 20 million a year; (ii) misuse has ruined the productivity of one-quarter of our farm land. How can this situation be related to the population theories expressed by Thomas Malthus? (Value 4)

(b) What is meant by the phrase "subsistence level of existence?" (Value 2)

(c) Why is a large family considered an asset in agricultural civilization and a liability in an industrial civilization? (Value 2)

(d) "Immigrants should not be allowed into Canada because they will take all the available jobs". Explain what is wrong with this statement. (Value 4)

[OVER]

4. (a) Explain briefly what is meant by the term "large-scale production and division of labour." (Value 3)

(b) What *three* advantages arise from the "division of labour?" (Value 3)

(c) Outline briefly *three* social or economic problems created by our modern system of production. (Value 6)

(d) It has been said that the corner grocery store is doomed because of competition from the large chain stores. Why has the corner grocer been able to survive? (Value 3)

5. (a) Although a joint-stock company or corporation may be *owned* by perhaps thousands of shareholders, usually it is *controlled* by only a few shareholders. Explain how such a situation could be true. (Value 3)

(b) What are the factors of production in the capitalist system?

How might the socialist modify these factors of production?

How has the division of labour system helped capitalism? (Value 6)

(c) What is the meaning of "limited liability"? (Value 2)

(d) List *two* advantages and *two* disadvantages of the "combine" or "merger". (Value 4)

6. (a) Name Canada's chief rivals for the world's wheat markets. (Value 3)

(b) State *one* advantage and *one* disadvantage of the Hudson's Bay route for shipping grain from Canada to Great Britain. (Value 4)

(c) With what industries has Canadian aviation been associated most closely? (Value 2)

(d) Outline Canada's equipment for the transportation of merchandise. (Value 3)

7. Define any *TEN* of the following:

legal tender, bi-metallism, alloy, Caisses Populaires, clearing-house, preferred stock, bull market, express-freight, rationing, subsidy, excise tax, place utility, lock-out, laissez-faire, embargo. (Value 10)

8. A newspaper ordinarily sells for 3c a copy. Trace back the process of manufacture and make-up, and show that a newspaper is the product of a long line of workers each of whom has shared in its completion. Include in your answer the contribu-

tion made by such business and industrial organizations as Manufacturing, Banking, Communications, Transportation.

OR

Describe a visit you have made to a large factory, describing such things as office staff, machinery, labour force, store rooms, heating plant, lighting, ventilation, sources of raw materials, markets for finished products, etc. (Value 10)

9. (a) What are the main advantages of Canada's "branch" banking system? (Value 3)

(b) What is a "run on a bank"? What *three* "liquid" reserves are kept by the banks in case such an emergency arises? Why have there been no "runs" on Canadian banks in recent years? (Value 5)

10. (a) Give the meaning of the terms "favourable" Balance of Trade and "unfavourable" Balance of Trade. (Value 2)

(b) List *three* "invisible" exports. (Value 3)

(c) What is the difference between a "par of exchange" and a "rate of exchange"? (Value 4)

(d) Why has it been necessary for the Canadian Government to place a ban on most commodities imported from the United States? (Value 3)

11. (a) Describe the characteristics of any *two* important phases of the Business Cycle. (Value 4)

(b) How can the extremes of the Business Cycle be modified by the control of credit? (Value 3)

(c) In what phase of the Business Cycle are we at the present time?

What happens to the value of money during this phase? (Value 3)

12. (a) Differentiate between "real" and "nominal" wages. (Value 3)

(b) List any *three* reasons why the wages of women workers are almost invariably lower than those of men. (Value 3)

(c) Over the centuries the whole standard of living for the great mass of the people has risen and is still rising. List any *five* reasons why wages have risen. (Value 5)

[OVER]

13. (a) Write brief outlines of any *two* of the following :

Industrial Disputes Investigation Acts

Workmen's Compensation Acts

Minimum Wage Acts

Industrial Standards Acts

Unemployment Insurance Acts

Old Age Pensions Acts (Value 6)

(b) List any *five* causes of "unemployment". (Value 5)

14. (a) Describe conditions in England after the Industrial Revolution which led to the rise of the Trade Unions. (Value 4)

(b) Define the following terms: closed shop, sabotage, boycott, union label, check-off, take-home pay. (Value 6)

(c) Name two chief union organizations in Canada.

Name one large union in the U.S.A. (Value 3)

15. (a) Why is taxation necessary? Answer in some detail. (Value 3)

(b) Differentiate between "direct" and "indirect" taxation and give *two* illustrations of each type of tax. (Value 5)

(c) What is meant by the "shifting" of taxation? (Value 2)

(d) Why is it considered desirable that even those people in the lowest income brackets should pay some taxes? (Value 2)

Commercial Diploma Examination

JUNE, 1949

SPELLING—GRADE XI

INSTRUCTIONS:

Dictation time—45 minutes.

Total marks—100. Deduct 3 marks for each error.

In dictating, give the meaning of each word in A or illustrate its meaning by using it in a sentence; re-read all words and sentences before the papers are collected.

A

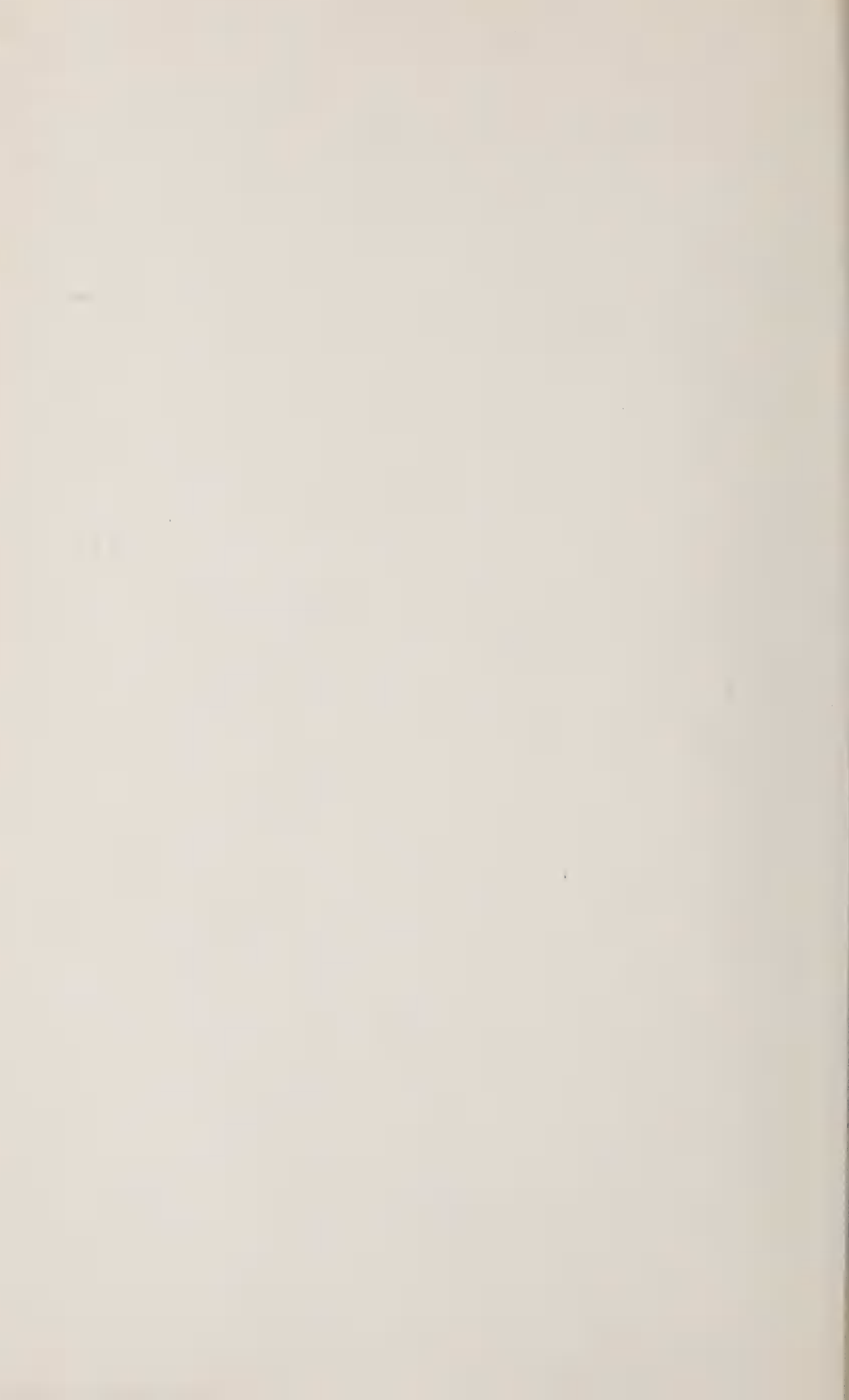
cylinder
adhesive
contrariness
forfeited
acquisition
consistent
regrettable
omission
indulgence
appropriation
correspondence
profited
Connecticut
prophecies
avalanche
peculiar
signalled
folios
accrued
commissioners
deteriorate
separately
sheriffs
embarrass
competitive

emergency
contemptible
calendar
personnel
franchise
subsequent
reconciliation
principally
embargo
incidentally
affiliated
achieve
blamable
accelerator
injunction
intercede
seizing
homicide
Cincinnati
legend
frontispiece
asparagus
cargoes
disciplinarian
misdemeanour

occurrence
cite
denunciate
parallel
philosopher
schooner
successor
mouthfuls
Syracuse
precedents
athletics
troupe
perceptible
reciprocal
receiving
obsolete
intimating
facsimile
indispensable
rheumatism
brakeman
apprenticeship
excessive
exchangeable
simultaneous

B

1. Boys' and men's clothes were included in the bargains.
2. The railroad fare was determined on a mileage basis.
3. Your remittance has been credited to your account.
4. Formerly, the chief products of Virginia were cotton and tobacco.
5. John did not have sufficient resistance to fight the disease.
6. I accept the terms, except for one proviso.
7. The straight course lay through the straits.
8. The colonization instructor found the immigrants teachable.



Commercial Diploma Examination

JUNE, 1949

STENOGRAPHY—GRADE XI

PART A

Time—25 minutes

1. Write the approved shorthand outline for each of the following :

If-it-were-possible.....	Yesterday-afternoon.....
From-beginning-to-end.....	Board-of-Directors.....
At-all-events.....	On-Friday-evening.....
Special-instructions.....	With-reference-to.....
As-a-matter-of-fact.....	Six-weeks-ago.....
As-a-general-rule.....	\$25,000.....
6,900,000.....	I-am-sure-there-is.....
At-any-rate.....	Under-separate-cover.....
For-the-purpose-of.....	Of-our-association.....
\$128.75.....	In-our-opinion.....

(Value 20)

Deduct one mark for each incorrect outline.

2. Write distinctive outlines for each of the following pairs of words :

- | | | | |
|-------------------|--------------|--------------------|--------------|
| (1) provide..... | pervade..... | (6) parasol..... | parcel..... |
| (2) debtor..... | editor..... | (7) unavoidable.. | inevitable.. |
| (3) patron..... | pertain..... | (8) evidently..... | eventually.. |
| (4) separate..... | spirit..... | (9) violence..... | violins..... |
| (5) reverse..... | rovers..... | (10) human..... | humane..... |

(Value 10)

Deduct one mark for each incorrect outline.

3. Write in shorthand :

(a) Practise these-words whenever you have an opportunity to-do-so because of-their great importance.

.....

(b) There-is-no danger from my cold, but I-shall put myself under-the doctor's care till it improves.

.....

[OVER]

(c) It-may-be-necessary to enlarge-the administrative force
throughout-the universe by-the addition of a capable executive.

.....

(d) Prospective workers in-our establishment must perform
their tasks intelligently and efficiently no matter how mechan-
ical they may be.

.....

(Value 20) Deduct two marks for each error.

4. Write the shorthand outline for each of the following :

storage.....	furniture.....	sodawater.....
dividend.....	chauffeur.....	fashioned.....
prosperity.....	happens.....	inhale.....
flasher.....	homework.....	umbrella.....
longed.....	gallons.....	cabinet.....
sombre.....	Arthur.....	urgently.....
blanket.....	impurity.....	hardware.....
poverty.....	snowflake.....	grateful.....
radiator.....	clippings.....	aspire.....
elegance.....	mahogany.....	specification.....

(Value 25) Deduct one mark for each error.

Commercial Diploma Examination

JUNE, 1949

STENOGRAPHY—GRADE XI

PART B

INSTRUCTIONS: For students taking the General Course, dictate the first three letters at 70 words per minute, and the last two letters and the article at 80 words per minute. For students taking the Secretarial Course, dictate the first three letters at 80 words per minute and the last two letters and the article at 90 words per minute. Allow a one-minute interval after each letter or article, and ten minutes at the conclusion of the dictation for revision of notes, etc. The time for transcription on the typewriter is 45 minutes. The test is marked off in groups of 10. Each letter is to be set up in approved business style.

1. Messrs. Green & Brown,
23 Main Street,
Brandon, Manitoba.

Gentlemen:

During the past three months we have been receiving / complaints from our customers with regard to the quality of / your white paint. As none of them specifies the cause / of the trouble, and the number of returned purchases has / been large, we are obliged to make an investigation at / once.

Our own opinion is that the oil is quite / inferior to that which you have been using in the / past. We are therefore returning to you by express a / 10-pound pail for your inspection.

Please analyze the contents / of this pail and make a report at your earliest / convenience.

(Value 19)

Yours very truly,

(104 9)

2. Mrs. Harry Fox,
18 Pine Trail,
Port Credit, Ontario.

Dear Mrs. Fox:

With the opening of the rug-cleaning / season, we wish to announce our new schedule of special / prices:

For \$2.00, we call for your rugs, mothproof, / wrap and store them for the entire summer in one / of our air-conditioned storerooms.

For \$3.00, we dry-clean / your rugs, mothproof, wrap and store them for the entire / summer.

OVER

For \$4.50, we shampoo your rugs / on both sides, insure them against fire or theft, and / we carefully mothproof and store them for the entire summer. /

Whether you choose our \$2.00 service, or our \$4. / 50 service, we give you the same courteous attention. / We are sure you will be satisfied.

(Value 21)

Yours very truly, /

(120 9)

3. Mr. John Russell,
92 Dominion Avenue,
Toronto, Ontario.

Dear Mr. Russell:

We are enclosing herewith our June investment / list containing brief descriptions of many high-grade bonds, which / we recommend for investment, and which net from four per / cent to six per cent.

This bank offers for sale / only such bonds as have been purchased for its own / investment; and, in presenting this list for your consideration, we / assure the furnishing of carefully selected bonds that combine security / and satisfactory income.

We trust you will avail yourself of / the facilities offered by this bank in the buying and / selling of securities, and we shall gladly furnish additional information / and special circulars regarding any of the issues offered.

(Value 20)

Yours / truly,

(111 8)

4. Mr. Frank Spence,
48 Mountain Drive,
Hamilton, Ontario.

Dear Sir:

We look back with real pride on our / regular delivery service during the past year. When others insisted / that prompt shipments were out of the question, we were / able to meet the increased demands placed upon us with / little or no trouble. We attribute this solely to our / method of conducting business—the fact that we confined our / business to those who bought from us regularly.

The demand / for our products is still great, and it will be / out of the question to give the same competent service / unless orders are promptly received.

We trust that you will / send your order in now before our stock is exhausted. /

(Value 20)

Yours truly,

(112 8)

5. Messrs. Woods & Black,
220 Oakwood Avenue,
Winnipeg, Manitoba.

Gentleman:

We are sorry to hear that the case of / canned peaches reached you in such a bad condition. It / left us in good order, carefully packed and sound in / every way, and we hold a clear receipt from the / railroad company.

As we never sell goods delivered to buyer, / they are always out of our control as soon as / the transportation company has receipted for them. We, therefore, do / not feel that we can make good the loss, but, / since you refused to receive the consignment on account of / its condition, you should have no difficulty in getting satisfaction / from the railroad company.

We return our bill for the / peaches as we are not responsible for the damage.

(Value 21)

Very / truly yours, (122 9)

6. LIKE YOUR WORK

You will never make a big success of your work / or your business unless you like it. If you do / not like what you are doing, give it up and / find something you will like. If you have no relish / for work of any kind, your case is hopeless. Of / course, there is toil in all work, but a man / should be interested in his work, and do it willingly / with the knowledge that he is accomplishing something. Look at / the people in any shop or in any office, and / you can tell at a glance who will get advancement. / They are alert and interested in what they are doing. /

Concentrate on your work, and it will become interesting; there / will be no drudgery about it. Your work and service / is part of the great world's need as well as / your own livelihood.
(Value 24) (143 3)

SCALE FOR MARKING TRANSCRIPT

NOTE: *Regard each question as a unit, and allow proportionate marks for an unfinished question, if the notes are complete.*

MAJOR ERRORS

Deduct TWO marks for each of the following:

1. Omission, addition, substitution, or transposition of any word or figure (except the articles a, an, or the).

[OVER]

2. Misspelled word (except the transposition of letter; i.e., a typing error).
3. Gross error in punctuation (e.g., incorrect use of the apostrophe, period, question mark, etc.).

MINOR ERRORS

Deduct ONE mark for each of the following :

1. Minor errors in punctuation (e.g., comma, hyphen, etc.).
2. Interchange of the articles: a, an, the.
3. Change in number or tense.
4. Typing error (transposition of letters and incorrect spacing).
5. Poor erasure.
6. Incorrect syllabication.
7. Omission of capital in proper names.

Commercial Diploma Examination

JUNE, 1949

TYPEWRITING—GRADE XI

INSTRUCTIONS: Allow $1\frac{1}{2}$ hours for this paper with ten minutes extra for the speed test. In marking questions 1, 3, and 4, deduct 2 marks for each error or careless erasure.

1. Arrange, punctuate and type the following letter dictated today by L. A. Dand, Sales Manager of the Anglo-American Oil Company, Port Credit, Ontario.

Use block style of address and closing
In the closing include the firm name, title, etc.

Mr. J E Ganong 555 Riverside Drive Toronto Ontario Dear Mr. Ganong Here's something you have been wanting—a courtesy card which will be honoured in both Canada and the United States Now you can motor any place in the United States as well as Canada without the inconvenience of carrying extra sums of money on your person to pay for gasoline and oil We are able to extend this courtesy to you through a reciprocal arrangement which becomes effective July 1 1948 whereby A-A Courtesy Cards will be honoured by dealers and service stations in the United States handling Service Refining Company products We gladly recommend to you the quality of Service Products Yours very truly

P. S.—Please destroy your old card and use the one enclosed.

(Value 20)

2. Type the following five sentences with double spacing on paper $8\frac{1}{2} \times 5\frac{1}{2}$. Use the abbreviated form for all Italicised words or groups of words and figures.

(a) What is the result of the following: *sixteen multiplied by seven minus twelve divided by ten multiplied by eight minus forty-five?*

(b) The total of this invoice for Wilson and Murray is *One Hundred and forty-three dollars and seventeen cents.*

(c) The ship was located by wireless in latitude *one hundred and seventy-one degrees twenty-three minutes.*

(d) Ship the *nine* gallons of sulphuric acid (H_2SO_4) *cash on delivery.*

(e) Room *number fourteen* is *twenty feet five inches* long and *twelve feet six inches* wide.

(Value $5 \times 2 = 10$)

[OVER]

3. Arrange the following list of names in correct alphabetical order, using double spacing and placing centrally on an 8½ by 11 sheet of typing paper:

Dr. Robert McKay; Canada Steamship Lines, Ltd.; Canadian National Railways; William James Adams & Co.; Charles Bender & Bros.; Adam's Trucking Co.; The Sunnyside Insurance Co.; B. C. Adams & Co.; Walter Bender & Son; A & P Food Stores; L'Aiglon Restaurant; L. De Lamater; R. S. William & Son, Co., Ltd.; Professor James White; Canada Grocers Ltd.; Y. W. C. A.; John MacDonald Drug Co.; B. C. Wilson & Co.; 5th Avenue Shoppe; The Metals Manufacturing Co. (Value 10)

4. Copy the following statement, displaying it attractively;

THE JAMES CONSTRUCTION COMPANY

Cash Reconciliation

March 31, 1948

Balance in Canadian Bank of Commerce, per
bank statement..... \$13,476.50

Deduct:

Outstanding Cheques:

No. 2049.....	\$121.00	
No. 2053.....	84.00	
No. 2056.....	60.75	
No. 2063.....	45.00	
No. 2067.....	37.25	
No. 2069.....	42.65	390.65

Adjusted Bank Balance \$13,085.85

Add:

Cash Items entered in Cash Book,
to be deposited..... 1,324.54

True Cash Balance..... \$14,410.39
Balance per Cash Book..... \$14,413.69

Deduct:

Collection charge by bank, to be
entered in Cash Book..... 3.30

True Cash Balance \$14,410.39
(Value 20)

5. SPEED AND ACCURACY TEST—10 Minutes.

Marking—Give four marks for every 50 words typed for classes with three years of typewriting, and four marks for every 40 net words typed for classes with two years or typewriting, less one mark for each error.

TO TEACHERS—Each teacher will supply the material for the speed test from new Underwood or Remington tests. (April Test, 1949.) (Value 40)

Commercial Diploma Examination

JUNE, 1949

BOOKKEEPING PRACTICE—GRADE XII

Ruled paper to be supplied.

Time — 3 hours

1. At June 1, 1949, the balance in Accounts Receivable Control is \$4611.10 and in Accounts Payable Control is \$3798.75.

At June 30 the Bills Receivable Journal shows notes and drafts received from customers amounting to \$2170.50 (net) and discounts allowed the customers on the same of \$179.50. The Bills Payable Journal shows that we have accepted drafts to the value of \$1975.70, and have earned a discount on them of \$124.30. The credit sales were \$4650.50 and the cash sales \$1190.20. There was \$1610.20 received in cheques from our customers, on which we allowed them a cash discount of \$74.80. The cash payments show cheques sent to our creditors \$1417.25, and cash discount earned \$82.75. We have purchased goods for cash \$1194.50 and on credit \$2805.50. Credit notes valued at \$125.50 have been issued and we have received credit notes valued at \$89.20. One of the drafts received from our customers, face \$125.00, was dishonoured.

Prepare: Accounts Receivable and Accounts Payable Control Accounts, showing dates and folio references.

2. HARDY & THORN

Trial Balance

June 30, 1949.

Stephen Hardy, Capital	\$	\$40,000.00
Robert Thorn, Capital		24,000.00
Stephen Hardy, Drawing	500.00	
Robert Thorn, Drawing	450.00	
Cash in Bank	6,250.00	
Petty Cash	50.00	
Notes Receivable	9,210.00	
Accounts Receivable	18,000.00	
Notes Payable		3,800.00
Accounts Payable		6,830.00
Merchandise Inventory, Dec. 31, 1948	16,700.00	

[OVER]

Purchases	48,200.00	
Return Purchases		245.00
Purchase Allowances		310.00
Sales, Cash		24,000.00
Sales, Credit		44,000.00
Outward Freight	500.00	
Inward Freight	900.00	
Bad Debts Written Off	500.00	
Purchase Discounts		711.00
Reserve for Bad Debts		600.00
Sales Returns	450.00	
General Expenses	2,160.00	
Heat and Light	780.00	
Office Salaries	1,560.00	
Salesmen's Salaries and Commissions	7,410.00	
Building Expense	225.00	
Rent Income		450.00
Interest Income		40.00
Land	6,000.00	
Buildings	18,000.00	
Reserve for Depreciation of Buildings		720.00
Auto Trucks	4,000.00	
Furniture and Fixtures	2,200.00	
Reserve for Depreciation of F. & F.		440.00
Prepaid Insurance	325.00	
Delivery Expense	1,776.00	
	<u>\$146,146.00</u>	<u>\$146,146.00</u>

Above is the Pre-closing Trial Balance of Hardy & Thorn as at June 30, 1949.

The following additional facts had not been recorded :

(a) INVENTORIES:

Merchandise, \$18245.00
 Unexpired Insurance, \$120.00
 Deferred charges to general expense, \$150.00

(b) ACCRUALS:

Interest accrued on notes receivable, \$110.00
 Unpaid salesmen's salaries and commissions, \$430.00
 Inward freight unpaid, \$31.00

(c) RESERVES:

The reserve for bad debts is to stand on the Balance Sheet at an amount equal to 1 per cent. of the net credit sales.

Provide for additional Depreciation Reserves as follows:

Buildings, 2 per cent.
 Furniture and Fixtures, 10 per cent.
 Trucks, 15 per cent.

REQUIRED :

- (i) Classified Statement of Trading and Profit and Loss, for the six months ended June 30, 1949. (Value 21)
- (ii) Classified Balance Sheet as at June 30, 1949. (Value 18)
- (iii) The journal entries to adjust the Inventories, Accruals, and Reserves at June 30, 1949. (Values 15)

3. Enter in a Cash Book with columns as follows :

Receipts—Disc. off Sales Dr.; Accts. Rec. Cr.; Bills Rec. Cr.; Int. Cr.; Gen. Cr.; Int. & Exch. Dr.; Bank Dr.

Payments—Disc. off Pur. Cr.; Accts. Pay. Dr.; Bills Pay. Dr.; Accts. Rec. Dr.; Expense Dr.; General Dr.; Int. & Exch. Cr.; Bank Cr.

Rules and balance :

- May 1. 1949. D. Sprague invests \$2149.60 cash in the bank. Issued a cheque for \$75.00 to start Petty Cash fund.
- 2. Paid December rent by cheque \$125.00.
 - 3. Received cheques as follows: M. Blake, on account \$136.50; J. Laing, on account \$215.00, less 2%; T. Leslie for his note due, face \$149.75 and accrued interest \$5.25.
 - 4. Cash sales \$325.60. Deposit the receipts of May 2 and 3; exchange $1/8\%$ on cheques.
 - 5. Issued cheques as follows: E. Turner on account \$150.50, less 3%; B. Fearman for his draft, face \$76.25, less discount for prepayment \$1.95.
 - 6. Paid insurance premium by cheque \$50.00 and freight bill by cheque \$21.50.
 - 8. Discounted S. Banting's acceptance for \$425.00, interest and bank charges \$4 75. Proceeds deposited. M. Blake's cheque deposited on 3rd was returned unpaid and charged to our account by the bank.
 - 10. Remitted to J. Deacon & Son, Winnipeg, a Bank Draft purchased by cheque, exchange $1/8$ per cent., for our invoice \$195.50, less 2 per cent. Cash Sales \$425.65, deposited.
 - 11. Sent cheque to the Receiver General for April Sales Tax \$154.50.
 - 13. D. Sprague withdraws for personal expenses \$75.00 by cheque. Issued a replenishing cheque to the Petty Cashier for \$37.25; Delivery Expenses, \$10.25; Office Expenses, \$12.00; Sundries, \$15.00.

Summarize and close the Cash Book.

(Value $20 \times 1 + 2 \times 6$) (Sum)



Commercial Diploma Examination

JUNE, 1949

BOOKKEEPING THEORY—GRADE XII

Ruled paper to be supplied

Time—2 hours

1. (a) Explain what is meant by a “non-trading concern”.
(Value 2)

(b) List any 4 items that might appear in a Statement of Income and Expenditure but not in a Statement of Receipts and Payments.
(Value 2)

(c) The Elmdale Club

Trial Balance

December 31, 1948

Cash	225.00	
Bank	1125.00	
Dues Receivable (Dec. 31, 1948)	375.00	
Dues for 1948		12000.00
Accounts Payable		425.00
Salaries - Officials	1520.00	
Wages	5680.00	
Professional's Salary	2500.00	
Light, Heat, and Water	525.00	
Dining Room Receipts		3250.00
Green Fees		2467.00
Furniture	1230.00	
Real Estate	20000.00	
Equipment	5670.00	
Surplus, 1947		20708.00
	<u>38850.00</u>	<u>38850.00</u>

Additional Information (Dec. 31, 1948)

Cash Jan. 1, 1948 \$200.00

Pro's. Salary paid in advance \$50.00

Wages due and unpaid \$120.00

Included in the equipment is a tractor bought in 1948 \$1900.

During the year \$617.00 of Furniture and \$5000.00 of Real Estate was purchased (included in Trial Balance figures).

Dues in arrears Jan. 1, 1948, \$425.00

Charge Depreciation as follows :

On Furniture 10%

On Equipment 15%

[OVER]

Prepare a Statement of Receipts and Payments and a Statement of Income and Expenditure. (Value 7 + 7)

2. The Balance Sheet of Adams and Co. at December 31, 1948, is

Assets	108,000.00	Liabilities	18,000.00
		A. Adams, Capital	30,000.00
		B. Bates, Capital	30,000.00
		C. Conn, Capital	30,000.00
	<u>108,000.00</u>		<u>108,000.00</u>

The partners share profits and losses in the ratio of 5 : 3 : 2. They decide to dissolve the partnership and distribute the assets in instalments as they are realized upon. The amounts realized were.

Jan. 31, 1949	\$30,000.00
Apr. 30, 1949	\$35,000.00
June 30, 1949	\$25,000.00 (Final)

Show the 3 Capital accounts and your complete solution. (Value 4x5)

3. Using a General Journal with six columns make entries for the following and close the journal.

May 1. W. Brown invests \$1500 cash.

3. Sent T. Evans a credit note for \$25.00 for damaged goods returned.

5. Received a credit note for \$17.50 from Wills and Son for an overcharge on invoice of May 2.

10. M. Cain's draft, which had been left at the bank for collection was returned unpaid, face \$125.

14. Taylor and Co. notified us that they had prepaid freight charges \$7.50 on an invoice of goods shipped to us, and were charging our account accordingly.

21. The Mercantile Press sent us a statement of account \$20.00 for advertising material.

24. The bookkeeper found that he had billed A. Young for \$23.00 instead of \$32.00 for goods. Adjust this error.

(Value 7 × 2 + 4) (Sum)

4. A. Raymond & B. Telfer are partners. Their Balance Sheet showed their position to be:

RAYMOND & TELFER

As at December 31, 1948

Assets		Liabilities and Capital
Cash	\$ 500.00	Accounts Payable \$ 4,000.00
Accounts Receivable	14,500.00	Bills Payable 5,000.00
Less Reserve for bad debts	600.00	A. Raymond, Capital 12,000.00
	13,900.00	B. Telfer, Capital 8,000.00
Stock in trade	4,000.00	
Land	2,000.00	
Buildings	8,000.00	
Equipment	600.00	
	<u>\$29,000.00</u>	<u>\$29,000.00</u>

On that date they decided to wind up the business.

Profits and losses are shared equally.

The assets realize as follows: accounts receivable, \$13,700.00; stock in trade, \$3,500.00; land, \$3,000.00; buildings, \$9,000.00; and equipment, \$400.00.

The expenses of realization were \$400.00.

(a) Show all necessary entries to close out the business.

(b) Write up the Realization and Liquidation ledger account.
(Value $6 \times 2 + 8$)

5. At April 30, 1940, X's Cash Book recorded a bank overdraft of \$1,400.00. The bank statement at the same date gave a balance at his credit, on deposit, of \$400.00. It is found that the following cheques are outstanding, not yet presented at the bank: No. 72, \$310.00; No. 78, \$420.00; No. 84, 480.00; No. 94, \$620.00. It is also found that the bank had charged X's account with a cheque returned "N. S. F.," \$28.00, and with \$2.00 exchange and excise stamps, neither of which items had been recorded in the Cash Book. Prepare a Bank Reconciliation Statement, including the True Balance. (Value 8)

6. (a) Outline briefly 3 methods of paying exchange on cheques deposited. (Value 3)

[OVER]

(b) Write a note on the operation of an Imprest Petty Cash Fund under the headings (i) how the fund is started (ii) how payments are recorded (iii) how the fund is replenished.

(Value 3x2)

(c) John Mason's account, \$50.00, was written off as bad in March 1948. On May 17, 1949, his cheque for this amount was received. The bookkeeper made the entry—Cash Dr., Profit and Loss, Cr. Comment upon the correctness of this procedure.

(Value 3)

(d) A machine is valued at \$10,000.00 and is estimated to last 10 years. Show the entries to record the depreciation for the first 2 years, using the Reducing Balance Method. (27.5%).

(Value 2 + 2)

Commercial Diploma Examination

JUNE, 1949

BUSINESS CORRESPONDENCE—GRADE XII

Time—2 hours

1. You are instructed to send the following day letter as a full-rate telegram. Re-write, condensing the message to *TEN* words.

660 MAIN STREET OURTOWN

DOMINION SUPPLY CO.

1030 QUEBEC STREET MONTREAL

AS WE ARE IN THE MARKET FOR 60 DOZEN GOLF BALLS, WE ARE WRITING TO INQUIRE ABOUT THE LIKELIHOOD OF OBTAINING THEM FROM YOU. HOW SOON COULD YOU SUPPLY US WITH YOUR BEST QUALITY "FAREFLIGHT" BALLS? DO YOU ALLOW A DISCOUNT FOR CASH PAYMENT? YOUR PROMPT REPLY WILL ASSIST US.

ONTARIO SPORTS CO.

(Value 10)

2. Your firm has received the shipment of golf balls, but finds ten dozen are of third grade "Playmaster" balls, though you have been billed for \$360 (\$6.00 a dozen). Write a letter of complaint, stating that you are returning the ten dozen requesting that they credit your account with \$60 if they cannot forward an additional dozen "Fareflight" balls within three days.

(Value 20)

3. Use each of the following words in a sentence which illustrates its meaning: counsellor, referee, recapitulate, elicit, drastic, irate, inadequate, voucher, adhere, dual.

(Value 20)

4. The Springwater Hotel, Spring Hills, Ontario, to which you have sold one gross of "Fareflight" balls for \$96, terms 1/10, n/30, has failed to remit one week after the monthly statement has been sent out. Write a formal reminder, including some sales material.

(Value 20)

[OVER]

5. Because of recent expansion in the number of lines carried by your company, you are moving, on July 15, to a large recently erected building at 1030 Main Street, more completely equipped to handle the increased volume of business. Prepare a circular letter which will convince your customers that these large, modern facilities will ensure even better service than they have been accustomed to receive on orders placed with your company in the past. (Value 15)

6. A retiring member of the firm has recently been tendered a banquet and presentation in recognition of his forty-five years with the Company. In 150 words, report the function for the column of the local newspaper. (Value 15)

Commercial Diploma Examination

JUNE, 1949

BUSINESS LAW—GRADE XII

Time—2 hours

(Value, $20 \times 1 = 20$)

I. Within the brackets before each of the following statements, print "T" if you think it is true; or "F" if you think it is false:

- () 1. Agreements made in violation of law, such as gambling contracts, are void contracts.
- () 2. Contracts made by infants for necessities at a reasonable price, are voidable contracts.
- () 3. An acceptance over the telephone in answer to an offer by mail becomes binding.
- () 4. Rights involving claims to money or to property under contracts may be assigned by one person without the consent of the other party to the contract.
- () 5. Money left in a bank for safe-keeping is a bailment for hire.
- () 6. If the buyer accepts merchandise and pays for it, the sale is an executory sale.
- () 7. A promissory note that promises payment out of the proceeds of a certain fund is negotiable.
- () 8. Profits made by an agent in the conduct of transactions for the principal belong to the agent.
- () 9. A principal who accepts the benefits of the unauthorized acts of his agent must also accept the burden.
- () 10. A partner may become a member of other firms that are in competition with his firm, without consent of his partners.
- () 11. Stockholders are individually liable for the debts of the corporation.
- () 12. The signature of a wife is not necessary when her husband sells a lot or piece of realty.
- () 13. There is an implied warranty that food sold is wholesome.
- () 14. In a sale of goods, both title and possession must pass at the same time.
- () 15. A common stockholder has preference in sharing in the net value of the assets when the corporation is dissolved.

[OVER]

- () 16. The dating of a note is essential to make it negotiable.
- () 17. A partner in a firm has a right to use the firm's name as a guaranty for his personal debts.
- () 18. A warranty deed safeguards the title of the buyer.
- () 19. The insurable interest in property must exist at the time the property is destroyed.
- () 20. If A buys a parcel of land from B and pays \$100 to bind the bargain the contract is binding.

II. A single word or phrase will complete each of the following statements. Write the word or phrase that will make the statement complete and correct.

(Value, $15 \times 2 = 30$)

1. A contract that must be in writing and under seal is a——.
2. To keep an offer open for a certain time, a certain amount must be paid by the offeree. This is called taking an——.
3. An insane person may——his contracts except for——.
4. An agreement to do something that is against public policy is——.
5. A contract that is made fraudulently and without the knowledge of its falsity is not——.
6. A contract under seal is presumed to have——.
7. An assignment conveys to the assignee no better——than——.
8. The receipt received from a common carrier for goods to be shipped is called——.
9. One who lawfully engages to store merchandise for others for a price is called——.
10. The delivery of goods to a seller does not have to be actual; it may be——.
11. A contract terminated by common consent is said to be——.
12. The principal forms of negotiable instruments are (a)——(b)——(c)——.
13. "Due H. Green, the sum of fifty dollars. Value received. John Lane" is a——.
14. The rules by which a corporation governs its business are called——.
15. An estate in fee simple is an——ownership in——.

III. For each of the following cases state the decision and give the reason for your answer.

(Value, $10 \times 5 = 50$)

1. Myers wrote to Simmons offering to buy his automobile for \$150 and stating that if he did not hear from Simmons to the contrary, he would consider the offer accepted. Simmons made no reply. Is Simmons bound to sell his car to Myers? What is the legal principle involved?

2. Wood, two months before his twenty-first birthday, purchased an automobile for cash from the Square Deal Automobile Agency. One year later he sought to disaffirm his contract and to recover the amount paid. Will he succeed? What is the legal principle involved?

3. Jones is indebted to Walker for \$1000. When the debt matures, Jones agrees to pay interest at 5% if Walker will extend the time of payment for three months. Can Walker collect before the expiration of the extension? If so, why? If not, why not? What is the legal principle involved?

4. Dickson owed Richards \$600, due October 1, 1938. On December 1, 1938, Dickson offered Richards \$300 and his used automobile, estimated to be worth \$150, in full satisfaction of the debt. Richards accepted this offer. Is the debt cancelled? Why or why not?

5. Martin wrote a promissory note payable to Peters, a debtor of his. Martin left the note on his desk intending to mail it later. Peters found the note on the desk and took it. When the note came due Martin refused to pay, claiming lack of delivery. Will Martin be compelled to pay the note? What is the legal principle involved?

6. Thompson agreed orally to build a set of files and shelves for Akin's new office for \$125. They were to be made according to specifications submitted by Akin. When Thompson delivered the goods, Akin refused to accept them. Thompson brought suit and Akin set up the Statute of Frauds as a defense. Is this a good defense? State the legal principle.

7. One cold day Jennings allowed Brown to store his car in Jennings' garage. In the evening, an out-of-town friend visited Jennings. Jennings puts Brown's car in the driveway so as to

[OVER]

permit his out-of-town friend to store his car in the garage. Brown's radiator freezes and cracks due to the excessive cold. What are his rights?

8. A salesman in a department store reduced the marked price of an article from \$150 to \$125 and sold the article to a customer, terms \$25 down and \$100 on delivery. The store accepted the \$25; but later it refused to deliver the article until the customer paid \$125 additional, on the ground that the salesman had no right to reduce the price. The customer sued for damages for non-delivery. May he recover? What is the principle involved and how does it apply in this case?

9. Beach insures his life by means of a \$10,000 straight life-insurance policy. Before the formal policy is issued, Beach dies. His intended beneficiary sues the company for the \$10,000. Will the beneficiary succeed? What is the principle of law involved?

10. Kerby borrows \$4000 from Childs, giving Childs a mortgage on his (Kirby's) farm. Childs does not record the mortgage. Some time later, Kirby borrows \$3000 from Howe, giving him a mortgage on the same farm. Howe has no notice of the former loan, and immediately records his mortgage. In the payment of the debt, which mortgage has priority? What is the principle of law involved?

Commercial Diploma Examination

JUNE, 1949

OFFICE PRACTICE—GRADE XII

1. (a) Set up the following letter, using current date. Make a carbon copy.

(b) Address the No. 8 envelope.

(c) Sign, fold and insert the letter in the envelope.

Dr. Peter Brigham, Department of Pharmacology and Therapeutics, University of Toronto, Toronto 5, Ontario. Dear Sir: In August, 1948, I suddenly developed left claudication preceded for a few days by a feeling of soreness in the course of the femoral artery in Hunter's Canal. In the spring of 1949 I consulted vascular specialists in New York and Boston who found that the left femoral artery was thrombosed in Hunter's Canal; there was no pulsation in the popliteal, the posterior tibial or dorsalis pedis arteries. The temperature of the left great toe was 5°C lower than the right; there was some atrophy of left calf muscles with fibrillary twitching. X-rays showed intensive calcification of both femorals but no visible vessels below the knees. (P) Immediately after I began to take Orchisterone I noticed that my feet were warmer—within a week there was definite perspiration for the first time in three years. The capillary reflex on the left great toe became much more active and the toe rosy, not bluish or blanched as formerly. Now after taking 45 tablets I can walk comfortably for three or four hundred yards without developing claudication. There has been no foot pain after omitting the Buerger exercises for a week. (P) The very marked improvement in my peripheral circulation continues. I now have no difficulty in keeping my feet warm. The pulsation in the left lateral popliteal area (evidently a descending communication branch of the profunda femoris) is constant and very definitely larger in volume. To be relieved of claudication on walking is very comforting. I realize the wisdom of the advice that because of improved muscular tone and freedom from intermittent limp one should not overexert oneself. Yours truly, (Value 20)

There are two intentional errors in the copy. Students are supposed to fix them.

2. You are employed as billing clerk for ROWLAND & REID LIMITED, 338 Yonge Street, Toronto, Ontario. Make out invoices to cover the following items; discounts are as stated on the price list supplied, and sales taxes are extra. Ship by cheapest way, collect. (Make carbon copies of each)

[OVER]

(a) Customer BULMAN BROS. LIMITED, 119 Portage Avenue, Winnipeg 10 of 896; 18 of 921; 24 of 914; 15 of 897; 24 of 900 (Value 10)

(b) Customer VILLEMAIRE FRERES, 3571 Cote St. Luc Road, Montreal 15 of 922; 24 of 891; 6 of 913; 12 of 904; 8 of 927 (Value 10)

WHOLESALE LIST PRICES

Royal Doulton China "Blue Pomeroy" Code No. D-5269

889	Tea-cup and Saucer	.45 each
890	10" Plate, Dinner	.50 ..
891	8" .. Breakfast, Luncheon or Dessert	.45 ..
892	7" Tea or Salad Plate	.40 ..
893	5" Plate, Bread and Butter	.30 ..
894	8" Square Dessert Plate	.45 ..
895	8" Rim Soup Plate	.50 ..
896	7"45 ..
897	6" Oatmeal	.35 ..
898	5" Fruit	.30 ..
899	A. D. Coffee Cup and Saucer	.40 ..
900	Breakfast Cup and Saucer	.55 ..
901	Cream Soup and Stand	.80 ..
902	10" Platter	1.20 ..
903	12" ..	1.60 ..
904	14" ..	2.25 ..
905	16" ..	2.90 ..
906	12" Chop Dish (Round)	1.90 ..
907	14" ..	2.90 ..
908	7" Baker, Oval (Open Vegetable Dish)	.90 ..
909	8"	1.00 ..
910	9"	1.10 ..
911	7" Scollop (Salad Bowl)	1.00 ..
912	8"	1.10 ..
913	Sauce Tureen, Cover and Stand	2.90 ..
914	Covered Vegetable Dish 10"	2.90 ..
915	Boat, Loose Stand (Boat .95, Std. .65)	1.60 ..
916	.. Fast Stand	2.20 ..
917	Pickle Tray	.65 ..
918	Single Egg Cup	.20 ..
919	Double .. or Egg Holder	.45 ..
920	Tea or Slop Bowl 36s	.50 ..
921	Covered Muffin	1.45 ..
922	Cake Plate	.80 ..
923	New Buffet Tray	2.90 ..

924	Tea-pot 30s	1.65 ..
925	Covered Sugar 36S	1.45 ..
926	Cream 36s	.65 ..
927	Jugs 24s	.95 ..
928	A. D. Sugar and Cream	.70 pair
929	Square Dessert Dish (Salad Bowl)	3.10 each
930	Coffee Pot	2.75 ..

TERMS: On direct purchases, a quantity of \$80.00 wholesale list will be required and will carry a 15% trade discount plus 2% for cash within 10 days.

Where order amounts to \$50, the trade discount will be 10%.

Orders under \$50 carry a trade discount of 5%.

3. (a) Who owns the Bell Telephone Company of Canada?
(Value 1)
- (b) What is the rule about speaking into the mouthpiece?
(Value 1)
- (c) How much is the tax on long distance calls? Is it Federal, Provincial or Municipal?
(Value 2)
- (d) Using a telephone directory, calculate the charges on these call:
(Value 1 each)

	Toll	Tax	Total
(i) person-to-person to Montreal, 4:30 p.m. Tuesday	_____	_____	_____
(ii) person-to-person to Buffalo, N. Y., 8 a.m. Sat.	_____	_____	_____
(iii) anyone, to New York, 10:30 p.m. Wednesday	_____	_____	_____
(iv) person-to-person, London, England, Sat. 8 p.m.	_____	_____	_____
(v) person-to-person, New Toronto, Monday, 5:30 p.m.	_____	_____	_____
(vi) anyone, Ottawa, 6:05 p.m., Friday	_____	_____	_____

(all charges are for three minutes)

4. (A) Use the latest rate card supplied by the post office to find the postage on the following parcels: (Value 1 each)

(a) 4 lbs. 9 oz. to Montreal	_____
(b) 6 lbs. 8 oz. to Portage la Prairie	_____
(c) 3½ lbs. to Victoria	_____
(d) 7 lbs. 16 oz. to Halifax, insured for \$40	_____
(e) 2 lbs. 14 oz. to Moncton	_____
(f) 9 lbs. 1 oz. to Moose Jaw	_____

[OVER]

- (g) 6 $\frac{3}{4}$ lbs. to Sydney _____
- (h) 3 lbs. $\frac{1}{2}$ oz. to Lethbridge _____
- (i) 4 $\frac{1}{2}$ lbs. to Calgary _____
- (j) 8 oz. to Magaguadavic _____

(B) Put down the postage required for the following also:

- (k) a bundle of old copies of Readers Digest, weight 36 oz., to Edmonton _____
- (l) a registered letter weighing 2 oz. to Charlottetown _____
- (m) a bundle of printed matter, weight 20 $\frac{1}{2}$ oz., to Waubashene, Ontario _____
- (n) a postcard to Cleveland, Ohio _____
- (o) a 3 oz. letter to Athens, Greece _____

(Value 1 each)

5. Explain what is meant by the following terms:

itinerary	proxy	ult.
C. A.	l.c.l.	B/L
h. p.	pro rata	contra a/c
et al	2/10, n/30	c.i.f.
ante-date	black list	bonded goods

(Value 1 each)

6. Tabulate the following material in good form; put the elements in alphabetical order; use double spacing on a sheet 8 $\frac{1}{2}$ " x 11":

INTERNATIONAL ATOMIC AVERAGE WEIGHTS, 1941

Gadolinium, Symbol Gd, Atomic Number 64, Atomic Weight 156.9; Plutonium, Pu, 94, 239; Hafnium, Hf, 72, 178.6; Sodium, Na, 11, 22.997; Molybdenum, Mo, 42, 95.95; Beryllium, Be, 4, 9.02; Yttrium, Y, 39, 88.92; Boron, B, 5, 10.82; Nitrogen, N, 7, 14.008; Argon, A, 18, 39.944. (Value 20)

Commercial Diploma Examination

JUNE, 1949

STENOGRAPHY—GRADE XII

INSTRUCTIONS : For the General Course, dictate at 100 w. p. m.; for the Secretarial Course, dictate at 120 w. p. m. Allow 30 seconds for each address, and a one-minute interval after each letter; ten minutes for revision of notes, and forty minutes for transcription. The letters may be set up in any approved style, but must be mailable. Proper erasures should be allowed. Dictionaries should be available.

The letters are counted in groups of 20 standard words of 1.4 syllabic intensity.

I

Mr. A. Westland
1715 Colborne Street
St. Catharines, Ontario

Dear Mr. Westland:

We wish to congratulate you on the wise and business-like interest you have actively demonstrated / by the improvements recently completed by our firm.

This company is in a strong position from the point / of view of finances, experience, and integrity, to render you service in accordance with the most / up-to-date practice in the field of property protection.

Please be assured that every effort will be made to serve / your interests in the future to the best of our ability, and we trust the pleasant relationship / recently established may continue.

For the business with which you have favoured us, we wish to thank you.

(Value 10)

Sincerely yours

(121)

II

Mr. Phillip Housman
447 Second Avenue
Ottawa, Ontario

Dear Sir:

Please take notice that you are liable for poll tax of \$5.00 per annum, and that the same is now / due and must be paid within ten days at the City Hall.

The authority under which this tax is collectible / is the Statute Labour Act, Revised Statutes of Ontario 1937, Chapter 274, which / reads:

[OVER]

“Poll Tax is payable by every single male inhabitant between the ages of 21 and / 60 residing in the municipality and who is not otherwise assessed.”

The penalty for / non-payment is five dollars. In the event of the tax not being paid by the above date, your employer will be / notified to deduct the amount from your wages in accordance with paragraph 2, subsection 3 of the / Act.

Yours truly,
(Value 15) City Clerk (143)

III

Miss Cornelia Benson
637 Craig Street
Port Credit, Ontario

Dear Madam :

We were very pleased to have your letter asking for information about our products and take pleasure in / enclosing herewith a little write-up called “What the Kernel of Corn is and What it Gives.”

We are also asking our / Chief Chemist to send you a set of our Educational Samples. You will note that these samples are largely of / the finished product, as our process is a wet one and it is therefore practically impossible to send / you samples of the different stages of manufacture.

Of course we are not altogether unselfish in / sending you these as we have always found that the demand for our products increases in the neighbourhood of schools which / study our process of manufacture.

Please do not hesitate to write us again if there is any further / information you require as we are only too pleased to do whatever we can for you in this connection.

(Value 20) Yours very truly, (162)

IV

Dear Student:

You will find our catalogue of Students' Supplies a most interesting and useful little book, filled / with the things that will help you during your course, and containing many valuable suggestions.

We offer you the / full benefit of every economy, every saving, every discount made possible by our / extensive buying facilities.

Let this be clearly understood. You are at perfect liberty to buy / wherever you please, but bear in mind that anything you purchase from us is fully guaranteed. You are taking no chances / on questionable materials. To make the most rapid progress, you should lose no time in getting supplies.

We suggest that you go carefully over the catalogue from end to end. Don't miss a single item. / As you find the things you want, enter them on the order blank on the back of this letter, then mail it to us with / your remittance. The price of each article is plainly indicated. We will see that you get what you ordered promptly. / If you are not entirely satisfied with what you receive, we will either exchange the goods or you may return / them, and your money will be refunded.

(Value 25)

Very truly yours

(189)

V

The Healthy Drug Store
223 Sandwich Street East
Windsor, Ontario

Dear Druggist:

Next month our new advertising schedule opens with ten spots a week over CKOK. These spots whenever possible / will come in at chainbreaks and they have been scheduled for different times on different days in an endeavour to / catch every radio audience at one time or another.

The spot title, "The name you remember" has / an arresting introduction and we believe you will like the style and the voice of the announcer, Charles Murphy, / of the National Radio Club. We hope you will listen for this radio advertisement and that you will enjoy it. / We believe these spots will sell more tablets than the former fifteen-minute programme. We would appreciate your comment / on this.

The radio spots will be backed locally by a fifty-line weekly advertisement in "The City / Daily Sun" playing up the same "The name you remember" slogan, and throughout the province in "The Province / Herald and Weekly Star."

At the moment we are having manufactured a very attractive display card / carrying the same "The name you remember" message and we would like to send you one or two of these. / Would you use the enclosed postpaid envelope for requesting display material. You will have the new card which can be used / for window or counter, our two-bottle stand with sample request cards and a plentiful supply of dummy cartons.

(Value 30)

Yours very truly,

(240)

[OVER]

METHOD OF MARKING

MAJOR ERRORS—Deduct 2 marks for each error.

1. Omission, addition, repetition, substitution or transposition of a word.
2. Use of longhand in notes (even though erased) except in case of proper names and numbers.
3. Change in number, tense or part of speech.
4. Misspelt word (not due to typing error).
5. Gross error in punctuation or capitalization, such as failure to place punctuation at the end of a sentence or to capitalize the first word of a sentence.
6. Improper placement of a letter on the paper.
7. Incorrect division of a word at the end of a line.

MINOR ERRORS—Deduct 1 mark for each error.

1. Omission of date, enclosure, or dictator's and stenographer's initials.
2. Uncorrected typing error.
3. Poor or faulty erasure.
4. Unauthorized abbreviations.
5. Omission or wrong use of hyphen.
6. Minor errors in paragraphing, capitalization and punctuation.

Deduct from 1 to 5 marks for lack of neatness or for any error not specified above.

650.7

76035

C734

Commercial diploma examinations;
complete set

1949

WITHDRAWN

~~STORAGE~~

